

BUSINESSDIMENSIONS

FINANCIAL STRATEGIES FOR THE ENTREPRENEUR



Expand your business with institutional investor support

Discovering new capital opportunities by building rapport with institutional investors

As a business owner, you may be interested in expanding your operations with the support of additional outside investment. It's an integral part of investor relations, and a path you may determine is worth exploring at some point in your organization's future. Corporate access, at its core, connects corporate executives with institutional investors. A team of covered equity research analysts and sales and trading professionals bring corporate clients to the attention of qualified and interested investors. It's important to note that corporate access is usually meant for public companies, however private companies can participate if taking part in a deal or sponsored by a bank.

Through one-on-one meetings, non-deal roadshows, investor field trips and other conferences and events hosted by covered analysts, the aim is to identify and target institutional investors for companies. This allows organizations to discover new

capital opportunities and gather feedback from potential investors.

TACTICAL SUPPORT FOR STRATEGIC RELATIONSHIPS

A dedicated corporate access program not only takes care of the logistics for meetings between management teams and potential investors, but the team members also possess the in-depth knowledge of both and therefore can make strategic matches they think will be mutually beneficial.

Corporate access teams rely on events so that your management team can meet multiple investors at once. This helps make the most of your time – and potential investors' – and ensures attendees are focused on the meetings at hand instead of being pulled in multiple directions as they would during any given week.

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Expand your business with institutional investor support (cont.)

One report from Harvard Business Review showed CEOs attended an average of 37 meetings each week, equaling about 72% of their total work time.

Regardless of what next steps come from the meetings, businesses' investor relations efforts can benefit from participation in corporate access programs in the long term. Building relationships with investors over a period will help them build trust, realize potential and witness growth in your organization. According to a study by IR Magazine, it takes an average of just under four meetings with a company before an investor takes a position in it.

Another benefit is that you can gain valuable knowledge about how your business is perceived and what improvements you may want to prioritize based on investors' feedback. It can help you determine where your management team should focus their efforts, time and energy – to build a stronger business and attractive investment.

HOW CONNECTIONS ARE MADE

There are a variety of ways corporate access teams connect the C-suite to potential investors, and every organization is going to approach these introductions differently. There are in-person conferences, virtual meetings, site visits, one-on-one meetings, investor days, roadshows, and many other opportunities. The progression of these meetings may also differ based on the strength of interest in prior meetings.

While corporate access programs have traditionally relied on in-person conferences and meetings, the pandemic flipped that on its head and the industry had to quickly pivot to virtual events. While a hybrid approach has been in place, recent research found almost 60% of investors say they are more engaged by in-person meetings than by virtual ones. Even more telling is that investors cited needing more virtual meetings than in-person meetings before deciding to invest in an organization.

Physical events are preferred because they give investors the opportunity to see and feel what a company is doing. They allow investors to experience some of the intangibles of an organization that give it a competitive advantage.

TIPS FOR MEETING WITH INVESTORS

If you're planning on meeting with institutional investors, through corporate access programs or otherwise:

- > Be mindful of time constraints and aim to keep investors engaged rather than overwhelmed by information.
- > Don't try to sell your product or service; instead, focus on why your company is a good investment.
- > Be prepared to answer hordes of questions – from financial and operations to competition and succession.
- > Remember, an investor is looking to uncover vulnerabilities, so be confident in your business and responses.
- > Be open to feedback from investors after meetings, regarding both your business and the meetings.
- > Warren Buffet has been quoted saying that being honest and open is of utmost importance, including what worries you and the durability of your competitive advantage.

THE BRIDGE BETWEEN INVESTORS AND CORPORATES

Corporate access is a growing function and one that many companies realize is very important. Companies can rely on their corporate access teams to make this a reality. ■

NEXT STEPS

If you're considering outside investments in your business, here are some tips:

- Talk to everyone, including sell-side analysts, corporate access teams, targeting services and peers, before creating your outreach strategy.
- Be open to investors' feedback and use it as motivation for implementing improvements to your business.
- Be prepared to answer a slew of questions on a range of topics, from business operations to market competition.



Technology is changing the way you market your business

We've rounded up some innovations for you to consider for your business

It seems as if every week there's an innovation or new technology that is promising to change the way you do business. But not every new piece of software or Google Ad algorithm will impact your operations.

To help you sort through some of what's going on in the market, we've compiled three ways technology can be used to level up your marketing game. These concepts are not going anywhere, so now's the time to familiarize yourself and explore whether they can work for you.

ARTIFICIAL INTELLIGENCE IS ALL THE BUZZ

There are so many ways AI can impact your business, most of which cut down on the time you spend on certain tasks. From a marketing perspective, AI can assist in analyzing customer data so you can create hyper-personalized, targeted campaigns; allow you to add an unmanned chatbot to your website to address customer concerns; or flesh out your brainstorming topics to write blog content that resonates with your prospects. As with any new tech, you want to proceed with caution and carefully look at the outputs before you put them into practice. Maintaining the quality of your marketing content and customer touchpoints is paramount, so they reflect your brand accurately and respect the relationships you've built with your audience.

VIRTUAL APPEARANCES EXPAND HORIZONS

The pandemic sent the conferences and conventions industry into major shock, and from that came the epiphany of virtual events. While many have embraced the return of in-person and live, virtual events are still in demand due to their convenience. According to Grand View Research, virtual events are expected to expand by 21% from 2022 to 2030. Event technology has come a long way, with some allowing you to create an avatar, enter networking rooms or visit booths like you're standing in the room. The benefit for your business is that you can expand beyond the physical bounds of where you or your employees

might be able to travel. You can gain exposure to different regions and new industries by testing your appearances at virtual events first.

REFERRAL BUSINESS IS GETTING MORE SOPHISTICATED

Word of mouth is everything—there's nothing better than a customer recommending your business to their network because they had a great experience. But sometimes customers need a nudge to share their experience, and scaling a referral program can be a beast to take on. This is where referral marketing automation software comes in. It's getting more sophisticated, with some even dubbing it a revenue-generating robot. Programs like Ambassador, Rocket Referrals, Referral Rock and Referral Factory allow you to manage an organic sharing experience – from start to purchase – in one place and scale it in a snap. Research shows referrals not only have a high conversion rate but also tend to be lower cost compared to other lead sources.

Running your business and sorting through the countless marketing innovations that come at us every day can be a challenge. But some are worth exploring and might just propel your business to the next level. ■

NEXT STEPS

If you're curious what marketing innovations are all the buzz:

- Research if the marketing technologies you're already using have AI-enabled capabilities.
- See if your industry offers virtual events of interest and try them out.
- Consider referral marketing automation software to grow your referral lead sources.



Revitalize your office space for hybrid work

Determine what to do with your office space and how to motivate your employees making the commute

All signs point to hybrid work environments becoming the norm. According to a study by Gallup, about 53% of workers expect a hybrid work arrangement when asked where they plan to work long-term and 24% say they expect to work exclusively remotely.

But as a business owner, you are tasked with determining if your office space is still necessary and how much of it you now need. Additionally, you'll have to balance supporting the flexibility that employees demand with getting use of the office space you're paying for.

WHAT TO DO WITH YOUR OFFICE SPACE

No one can quite predict what will happen with commercial real estate nationally, but experts are saying pre-pandemic occupancy levels, in general, are unlikely to return because so many workers can operate remotely. That begs the question of what business owners should do with existing office spaces whose full capacity is no longer required.

A couple things are clear.

If you own your office space, you could sell all or part of it to downsize. You could also repurpose the space for a different use for own business, creating more collaborative or fun spaces. You may even consider leasing out a portion to another company that's seeking space. Because of the dwindling demand, it's predicted some companies will look to upgrade their office spaces by migrating into the nicer buildings in town.

If you lease your office space, you might not be able to make a move until your lease is up. You can consider negotiating with your landlord; some will probably be more flexible than others. If they want to keep you in place for the long term, they may be more willing to work with you if you're looking to just reduce your space.

HOW TO ENGAGE EMPLOYEES IN THE OFFICE

If you are going to implement a hybrid working policy, consider how you should set up your office space to account for this approach. You may focus your office space more on collaborative spaces, like conference tables, meeting rooms and hangout spots. After all, people who are coming into the office are often in search of connecting with their coworkers.

While not all companies can offer a host of perks to entice people to come in the office, consider doing a survey to see if a weekly event rallies everyone to come in on a specific day or the promise of an after-hours happy hour excites people enough to make the drive, for example. Another idea? Host optional in-office programs, like an exclusive speaker who helps you with your LinkedIn personal branding or a professional photographer who's snapping new headshots.

Not everyone will be lured back for the same reasons. It will take open communication with employees and trial and error to see what's working. You might be surprised by what people are motivated by. Regardless, now's the time to recalibrate and think about what will make your team's in-office experience a worthwhile one. ■

NEXT STEPS

If you're unsure what to do with your office space:

- Survey employees to see what their working preferences are.
- Consider making a permanent move to a smaller footprint to save money.
- Set up the office space you have to foster collaboration and connection.

Sources: issworld.com; knowledge.wharton.upenn.edu; gallup.com; cnbc.com